

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
September 23, 2019
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Michael S. Massey, CPA, Vice President; Gary R. Massey, CPA, Secretary-Treasurer; Barton W. Baldwin, CPA; Wanda B. Taylor, Esq.; and Jennifer Van Zant, Esq.

STAFF ATTENDING: Robert N. Brooks, Executive Director; David R. Nance, CPA, Deputy Director; Lisa R. Hearne, Communications Officer; Julia Mayo, Professional Standards Assistant; Buck Winslow, Licensing Manager; and Noel L. Allen, Esq., Legal Counsel.

GUESTS: Sharon Bryson, CEO, NCACPA; Mark Sotichack, CPA, COO, NCACPA; Shawna Hudson, CPA, Treasurer, NCACPA; Jackie Asekhauno, Learning Manager, NCACPA; Katie Grier, Senior E-Learning & Data Analyst, NCACPA; Amelia Hodges, Director of Professional Development, NCACPA; Karen Mills, CPA, NC Government Finance Officers Association; Susan B. Bennett, CPA; and Sgt. J.A. Stokes, Raleigh Police Department.

CALL TO ORDER: Vice President Massey called the meeting to order at 10:00 a.m.

RULE-MAKING HEARING: Vice President Massey called the Rule-Making Hearing to order at 10:04 a.m. The proposed rules to be considered at the Hearing were submitted in the formal document with the Office of Administrative Hearings (Appendix I). Vice President Massey called for anyone present who would like to speak on the proposed rule. Karen Mills, CPA, and Susan B. Bennett, CPA presented oral testimony. Vice President Massey then inquired from the Executive Director if any written comments had been submitted to the Board to be entered in the public record. Mr. Brooks stated that the Board had not received any written comments on the proposed rules other than those presented at the Hearing. Vice President Massey then adjourned the Rule-Making Hearing at 10:13 a.m. The entire Hearing is a matter of public record.

MINUTES: The minutes of the August 19, 2019, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The August 2019 financial statements were accepted as submitted.

NATIONAL ORGANIZATION ITEMS: Mr. G. Massey and Ms. Taylor moved to approve the draft response to the NASBA Regional Director's Focus Questions. Motion passed.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. M. Massey moved, and the Board approved the following recommendations of the Committee:

Case Nos. C2015332-1 and C2015332-2 – Carl F. Root, Jr., PA – Approve the signed Consent Order (Appendix II).

Case No. C2019139 – Chalice M. Golden – Approve a Notice of Hearing for January 28, 2020, at 10:00 a.m.

Case No. C2019176 – Close the case without prejudice.

Case Nos. C2019241-1 and C2019241-2 – Close the cases without prejudice with a Letter of Warning.

Case Nos. C2019245-1 and C2019245-2 Close the cases without prejudice with a Letter of Warning.

Case No. C2019260 – Close the case without prejudice.

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE:

Mr. G. Massey moved, and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The Committee recommended that the Board approve the following:

Samuel Scott Angelo
Tyler Michael Honeycutt

Jeffrey Andrew Nager
Corina Bonilla Stonecipher

Original Certificate Applications - The Committee recommended that the Board approve the following:

Samuel Scott Angelo
Roger Alfred Ahlquist, Jr.
Jennifer Marie Allen
Luke Foster Allman
Chandler Ray Archer
John Lisle Armstrong
Katelyn Danielle Barbee
Ethan Jeffrey Bellm
Shefali Bhalla
Andrew William Blalock
Stephanie Lee Blonchek
Jonathan Ryan Bowie
Michael Joseph Brooks
Christopher Conrad Michael Burch
Michelle Renee Burnette
Karissa Morgan Cahoon
Quinn Alan Carmean
Blake Gibson Carroll
Rachel Annelise Chaney
David John Christiansen
Rashaad Lavon Clavon
Elena Mary Covert
Monique Alicia Craig
Steven Edward Davidson II
Chrissi Leann Davis
David Roscoe Dimsdale
Sakire Nese Dogan
John Walker Duty
Rachel Gaster Edmund
Brice Marie Edwards
Joshua Michael Edwards
Matthew Ryan Fearnow
Katherine Elizabeth Fitchett
William Walton Gibbons
Stephen Taylor Hathcock

Autumn Tedder Hayes
Lauren Elizabeth Hedrick
Taylor Marie Hescock
Crystal Ann Hoegen
Tyler Michael Honeycutt
John Allen Humienny
Brynn Connor Ivey
Daniel Jo
Aimee Caroline Jobe
Kieran Reif Kinnare
Austin Miller Koplan
Katherine Angela Korol
Matthew Shawn Krawczyk
Garrett Alexander Lane
Mekenzie Enloe Lemly
Tyler Haynes Ligon
Sheridan Jordan Longest
Katie Elizabeth Murray
Jeffrey Andrew Nager
Karen Molloy Nicholas
Zachary B. Nutter
David Johnson O'Donnell
Caroline Elizabeth Paxton
Rebekah Lynne Presson
Lucas Clay Prillaman
Nicholas Anthony Raniszewski
William Scott Raymond, Jr.
Jasmine Shanice Richardson
Ryan Romaine Richardson
Payton Nyrie Sartin
Andrew Raymond Sherwood
Andrew David Slatter
Colton Hunt Smith
Jordan Parker Smith
Timothy David Sonnek

Hannah Katherine Starkey
Corina Bonilla Stonecipher
Travis Christian Thaxton
Kelsey Nicole Turner
Emily Jane Tym
Cody Ray Underwood

Philip Michael Wahlman
Walter William Wessinger
Madison Jean Williams
Molly Elizabeth Yandle
Peter Chresten Zuvich

Staff reviewed and recommended approval of the original application submitted by William Mills Abee. Mr. Abee failed to disclose pertinent information with his Exam application but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Abigail Marie Getz. Ms. Getz failed to disclose pertinent information with her Exam application but provided it with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

Douglas Wayne Granger

Roelle Ashley Lawrence

Temporary Permits - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

Xin Lin, T11402
Shawna Cassandre Moore, T11403
David Lewis Blythe, T11404
Travis Britton Byrum, T11405
Lauren Maria Johnson, T11406
Leila Nichole Hare, T11407
Nadia Abdul Sultan Lightwala, T11408
Xiaoxi Gao, T11409
William Lee MacAdam, T11410
Brett Senchyshyn-Maciukiewicz, T11411
Suzette Marie Harrison, T11412
Amanda Kathryn Grivnovics, T11413
Rebecca Sanderson Fisher, T11414
Shawn Howard Orth, T11415
Russell Owen Hightower, T11416
Danielle Nicole Cox, T11461
Shannon Lorelle Link, T11462
Lisa Ann Reger, T11463
Stephen Chen, T11464
Alexander Marshall Mundorff, T11465
Thomas Benedetti, T11466
Michelle Laura Nunnery, T11467
Lei Dai, T11468
George Raymond Aldhizer, IV, T11469

Hope Michelle Foote, T11470
Eliza Savage Durfee, T11471
Amie Hannah Fox, T11472
Loginie Brown, T11473
Brandon Lee Miller, T11474
Marc Benjamin Thompson, T11475
Galen Brice Hester, T11476
Tyler John Swarmer, T11477
Anastasiya Saakova Khalikov, T11478
Candace Roberta DeSantes, T11479
Alicia Daniell Calcutt, T11480
Nathan Oliver Hammond, T11481
Matthew Charles Pear, T11482
Martrice Lavonne Terry, T11483
Mark David Petty, T11484
Christian John Albers, T11485
Kristina Lynn Puruleski, T11486
Louise Marie Bartley, T11487
Stephanie Janet Coles, T11488
Courtney Lynn Weaver, T11489
Rebekah Jo Embry, T11490
Randall Wayne Buhlig, T11491
Sarah Katherine Brack, T11492

Reinstatement - The Committee recommended that the Board approve the application submitted by Michael William Zimmerman, Sr., #15324.

Reissuance of New Certificate - The Committee recommended that the Board approve the following applications for reissuance of new certificate:

Deborah Eileen McQuitter Ally, #18620
Jason Thomas Brodmerkel, #38240
Mary Margaret Jordan McLeod, #20737

Richard Wesley Slate, Jr., #39623
Lu Tang, #37196
Cong Wang, #38058

Reissuance of New Certificate and Consent Agreement - The Committee recommended that the Board approve the following application for reissuance of a new certificate and consent agreement submitted by Jamisen Patrick Hamilton, #39290.

Firm Registrations - The Committee recommended that the Board approve the professional limited liability company CCMB, PLLC that was approved by the Executive Director.

Lettters of Warning - The Committee recommended that the Board approve the requests to rescind the Letters of Warning issued to the individuals listed below:

Wendy Taylor Crawley, #18001
Danielle Margaret Cross, #30542
Deborah Queeney Ellis, #22754
Susan Elaine Evins, #29488
David James Fitzgerald, #20187

Denise Lynette Koch, #31594
Lora Francis Pennington, #20933
Michelle Caswick Salvadore, #20379
David Scott Schiller, #15372

Examinations -The Committee recommended that the Board approve the following staff-approved applicants to sit for the Uniform CPA Examination:

Holly Abbott
Amr Abul-Fadl
Jennifer Adams
Alisha Adkins
Shoaib Ahmed
Yusif Al-Yemeni
Blakeley Allen
Brittany Alley
Heather Ambrose
Pakita Ames
Brenna Aube
Scott Baeuerle
Michael Barclift
Connor Barton
Amy Bayley
Michael Beam
Kyle Beebe
Nichole Berg
Kimberly Berger
Mariah Bishop
Travis Blackmon
Natalie Bolick

Christopher Bonavita
Joseph Boyle
Jessica Brand
Joseph Bridgeman
Ashley Brightbill
Nashiem Bryant
Connor Buker
Samuel Burke
Sherrie Byrd
Trevor Byrum
Miranda Carrick
Rebecca Carroll
Caussin Carter
Evelyn Chambers
Megan Clarke
Mary Clementi
Amy Coble
Drew Coble
Morgan Coley
Chad Collins
Alexandra Consiglio
Rose Cossuto

Amanda Crnic
Camille Cross
Angel Dameron
Thomas Davenport
Charles Davis
Mai-Lynne Dinkins
Mary Grace Doggett
Lillian DuBlina
Sallie Dusenbury
Emily Etgen
Chad Feldman
Benjamin Fingers
Daniel Fischbeck
Marissa Flood
John Frechette
Hailey Fretwell
Heather Fullagar
Amanda Gadd
Taylor Gibson
Symone Glasco
Ashley Gorman
Elondia Grant
Alexander Green
Karl Green
Valerie Greene
Alison Greenfield
Nia Griffin
Cynthia Grose
Alexandria Grote
Renee Hajdas
Andrea Hale
Stephanie Hamilton
Laura Hanf
Thomas Hanshaw
Christopher Harborth
Kathryn Harris
Sherell Haughton
Scarlett Heddle
Kailey Hedgepeth
Kim Heh
Jennifer Heinemeier
Rachael Hendershott
Joseany Hernandez Juarbe
Maura Hertzler
Pepper Highsmith
Garrett Hill
Katelin Hills
Ann Hine
Fred Hitti
Robert Hogan
Austin Horne

William Howard
Christopher Hui
Michelle Hunter
Melicia James
Brandon Jaynes
Leslie Jefferson
Cassandra Johnson
Jacob Johnson
Richard Johnson
Austin Jones
Nicole Jones
Tevin Jones
Finn Katz
Elizabeth Kelly
Milan Khadka
Justin Kidd
Jin Young Kim
Justin Knight
Liana Kolodich
Madison Kweon
Sarah Link
Thomas Livingston
Parker Logsdon
Everton Loney
Hannah Lovelace
Rafael Loza
Peter Lupi
Kevin Lynn
Kathleen Lyonais
Lauren Magnuson
Robert Mahony
Amanda Malkiewicz
Elizabeth Mangan
Robin Mangum
Jena Marcinkoski
Caleb Mason
Meredith Matsumoto
Katelynn Mayes
Mary McCarthy
Conor McCraw
Alex McCutcheon
Wade McDermott
Aiesha McLeod
Peyton Miller
Ajie Monadi
Stenn Monson
Lindsay Moody
Adam Morris
Randy Moss
Marzouck Moussiliou-Coles
Tennakone Mulgama

Hemalatha Naidu
Diana Neaga
Briggs Neal
Patrick Nee
Kean Nguyen
Chun Nip
Ladan Osman
Bi Ou
Chandler Page
Christina Palmer
Bailey Pasin
Tiana Patillo
Nefertiti Peoples
William Perrault
Collin Peterson
Brooke Phillips
Greg Phillips
Stacey Phillips
Whitney Phillips
Jody Picarella
Jackson Powers
Sheetal Puri
Tram Quach
Hayden Read
Joshua Reid
Shakila Reid
Rebecca Reisberg
Stephanie Reitz
Sandra Richards
Kayla Ricks
Sophie Ricks
Jenna Riglick
Jennifer Rink
Jasmine Roach
Sara Robinson
Zachary Roddy
Francisco Rojas-Descalzi
Jennifer Ross
Sage Russoli
Omar Sadou Mamadou
Kollin Schrenk
Vincent Seagle
Patrick Shelton
Kristen Shiring
Robert Short
Megan Shutt
Gary Sigafoos
Monica Simmons
Charles Simpson

Mikayla Sindel
Kornavee Sintavanon
Katherine Sirls
Timothy Sivacek
Andrew Smith
Edward St Amand
Clayton Stakes
Spencer Stamey
Tamara Stanic
Rebecca Stevens
Natalie Stewart
Margaret Strickland
Taylor Strickland
Kristyn Strum
Michael Swanson
Charnice Taylor
David Templeton
Matthew Thompson
Nicholas Thompson
Bat-Ulzii Tumur-Ochir
Wade Tuttle
Matthew Tysinger
Matthew Vaden
Tracy Van Duzen
Shannon Vance
Kelsey Vaught
Mandy Wakem
Lauren Wallace
Yuan Wang
Nicholas Warden
Elizabeth Warren
Mary Waterer
Joshua Waters
Justin Watts
Daud Waziri
Christina Weaver
Towana Whitehurst
Gary Williams
Jessica Williams
Kerrie Williams
Logan Williams
Ryan Williams
Sheila Wilson
Matthew Wimberly
Victoria Winslow
Miranda Wronecki
Angela Xiong
Jonathan Yavorsky
Yishan Zhao

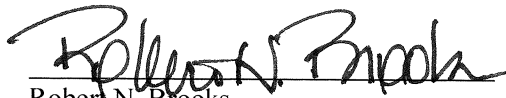
The Committee recommended that the Board approve a hypothetical Exam application.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The monthly operational metrics and Executive Staff report were provided.

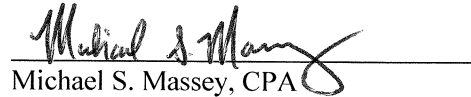
ADJOURNMENT: Mr. G. Massey and Ms. Taylor moved to adjourn the meeting at 10:45 a.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks
Executive Director



Michael S. Massey, CPA
Vice President

TITLE 21 - OCCUPATIONAL LICENSING BOARDS AND COMMISSIONS

CHAPTER 08 – BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

Notice is hereby given in accordance with G.S. 150B-21.2 that the Board of Certified Public Accountant Examiners intends to amend the rules cited as 21 NCAC 08G .0401, .0403, .0404, .0406, .0409 and repeal the rules cited as 21 NCAC 08G .0405 and .0410.

Pursuant to G.S. 150B-21.17, the Codifier has determined it impractical to publish the text of rules proposed for repeal unless the agency requests otherwise. The text of the rule(s) are available on the OAH website at <http://reports.oah.state.nc.us/ncac.asp>.

Link to agency website pursuant to G.S. 150B-19.1(c): www.nccpaboard.gov

Proposed Effective Date: January 1, 2020

Public Hearing:

Date: September 23, 2019

Time: 10:00 a.m.

Location: NC State Board of CPA Examiners, 1101 Oberlin Road, Ste 104, Raleigh, NC 27605

Reason for Proposed Action: All the rules in Subchapter 08G Continuing Professional Education (CPE) were reviewed, clarified, and amended to comply with current professional standards by a Joint Task Force of the NC State Board of CPA Examiners (Board and the North Carolina Association of CPAs and reviewed and approved by the Board for rule-making.

Comments may be submitted to: Robert N. Brooks, NC State Board of CPA Examiners, 1101 Oberlin Road, Ste 104, Raleigh, NC 27605; phone (919) 733-1425; fax (919) 733-4209; email rbrooks@nccpaboard.gov

Comment period ends: September 30, 2019

Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission after the adoption of the Rule. If the Rules Review Commission receives written and signed objections after the adoption of the Rule in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

Fiscal impact. Does any rule or combination of rules in this notice create an economic impact? Check all that apply.

- ☐ State funds affected
- ☐ Local funds affected
- ☐ Substantial economic impact (\geq \$1,000,000)
- ☐ Approved by OSBM
- ☒ No fiscal note required

SUBCHAPTER 08G - CONTINUING PROFESSIONAL EDUCATION (CPE)

SECTION .0400 - CPE REQUIREMENTS

21 NCAC 08G .0401 CPE REQUIREMENTS FOR CPAS

(a) In order for a CPA to receive ~~CPE credit for a course~~: credit for CPE activities:

- (1) the CPA shall attend or complete the course activity and receive a certificate of completion as set forth in Rule .0403(e)(13) of this Section; in the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs, including subsequent amendments and editions, which are hereby incorporated by reference. Copies of the Standards for CPE Program Sponsors can be found at no cost on the NASBA website at www.nasbaregistry.org/the-standards;
 - (2) the course activity shall meet the requirements set out in Rule .0404(a) and (e) Rule .0404 of this Section; and
 - (3) the course activity shall increase the professional competency of the CPA.
- (b) ~~A course~~ An activity that increases the professional competency of a CPA shall be a course an activity in an area of accounting of the profession in which the CPA practices or is planning to practice in the future, practice, or in the area of professional ethics, or an area of the profession. ethics.
- (c) Because of differences in the education and experience of CPAs, ~~a course~~ an activity may contribute to the professional competence of one CPA but not another. Each CPA shall therefore exercise judgment in selecting courses activities for which CPE credit is claimed and choose only those that contribute to that CPA's professional competence.
- (d) Active CPAs shall complete 40 CPE hours, 2,000 CPE minutes computed in accordance with Rule .0409 of this Section by December 31 of each year, except as follows:
- (1) CPAs having certificate applications approved by the Board in ~~April-June~~ April to June shall complete ~~30 CPE hours~~ 1,500 CPE minutes during the same calendar year;
 - (2) CPAs having certificate applications approved by the Board in ~~July-September~~ July to September shall complete ~~20 CPE hours~~ 1,000 CPE minutes during the same calendar year; or
 - (3) CPAs having certificate applications approved by the Board in ~~October-December~~ October to December shall complete ~~10 CPE hours~~ 500 CPE minutes during the same calendar year; and Any CPE minutes completed during the calendar year in which the certificate application is approved may be used for that year's requirement even if the minutes were completed before the certificate was granted.
- (e) ~~There shall be no CPE requirements for inactive CPAs. A CPA shall complete a minimum of 50 CPE minutes annually in activities on regulatory or behavioral professional ethics and conduct. Ethics CPE shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.~~
- (f) ~~There shall be no CPE requirements for inactive CPAs.~~
- (f)(g) ~~Any CPE hours completed during the calendar year in which the certificate is approved may be used for that year's requirement even if the hours were completed before the certificate was granted. When a CPA has completed more than the required number of hours minutes of CPE in any one calendar year, the extra hours, not in excess of 20 hours, up to 1,000 minutes shall be carried forward and treated as hours minutes earned in the following year. Ethics CPE hours minutes may shall not be included in any carry forward hours. minutes to meet the requirement of Paragraph (e) of this Rule. A CPA shall not claim CPE credit for courses activities taken in any year prior to the year of certification.~~
- (g)(h) Any CPE hours minutes used to satisfy the requirements for change of status as set forth in 21 NCAC 08J .0105, for reissuance as set forth in ~~21 NCAC 08J .0106~~ 21 NCAC 08J .0106, or for application for a new certificate as set forth in Rule 08I .0104 of this Chapter may be used to satisfy the annual CPE requirement set forth in Paragraph (d) of this Rule.
- (h)(i) It shall be the CPA's responsibility to maintain records substantiating the CPE credits claimed for the current year and for each of the four calendar years prior to the current year.
- (i)(j) A non-resident licensee may satisfy the annual CPE requirements ~~including this Rule~~ in the jurisdiction in which ~~he or she~~ where the CPA is licensed and currently works or resides. If there is no annual CPE requirement in the jurisdiction in which ~~he or she~~ where the CPA is licensed and currently works or resides, ~~he or she the CPA~~ shall comply with Paragraph (d) of this Rule. A non-resident licensee whose office is in North Carolina shall comply with Paragraph (e) of this Rule. All other non-resident licensees may satisfy Paragraph (e) of this Rule by completing the ethics requirements in the jurisdiction in which the non-resident licensee is licensed as a CPA and works or resides. If there is no ethics CPE requirement in the jurisdiction where the non-resident licensee is licensed and currently works or resides, the non-resident licensee shall comply with Paragraph (e) of this Rule.

Authority G.S. 93-12(3); 93-12(8b).

21 NCAC 08G .0403 QUALIFICATION OF CPE SPONSORS

- (a) The Board shall not register ~~either CPE activities nor sponsors or providers of CPE courses or CPE courses.~~ activities.

(b) CPE providers not in good standing on the NASBA National Registry of CPE Sponsors shall comply with the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs found on the NASBA website at www.nasbaregistry.org.

~~(b)~~(c) Sponsors of continuing education programs activities that are listed in good standing on the NASBA National Registry of CPE Sponsors shall be considered by the Board as compliant with the CPE requirements of Paragraph (e) of this Rule. Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Profession Education (CPE) Programs found on the NASBA website at www.nasbaregistry.org.

(e) CPE providers not in good standing on the NASBA National Registry of CPE Sponsors shall meet the following requirements:

- ~~(1) have an individual who did not prepare the course review each course to be sure it meets the standards for CPE;~~
- ~~(2) state the following in every brochure or other publication or announcement concerning a course:~~
 - ~~(A) the general content of the course and the specific knowledge or skill taught in the course;~~
 - ~~(B) any prerequisites for the course and any advance preparation required for the course and if none, that shall be stated;~~
 - ~~(C) the level of the course, such as basic, intermediate, or advanced;~~
 - ~~(D) the teaching methods to be used in the course;~~
 - ~~(E) the amount of sponsor recommended CPE credit a CPA who takes the course may claim; and~~
 - ~~(F) the date the course is offered, if the course is offered only on a certain date, and, if applicable, the location;~~
- ~~(3) ensure that the instructors or presenters of the course are qualified to teach the subject matter of the course and to apply the instructional techniques used in the course;~~
- ~~(4) evaluate the performance of an instructor or presenter of a course to determine whether the instructor or presenter is suited to serve as an instructor or presenter in the future as follows:~~
 - ~~(A) before the course's conclusion, provide for the attendees an opportunity to evaluate the quality of the course by questionnaires, oral feedback, or other means, in order to determine whether the course's objectives have been met, its prerequisites were necessary, the facilities used were satisfactory, and the course content was appropriate for the level of the course; and~~
 - ~~(B) systematically review the evaluation process to ensure its effectiveness;~~
- ~~(5) encourage participation in a course only by those who have the education and experience for the level of the course;~~
- ~~(6) distribute course materials to participants;~~
- ~~(7) use physical facilities for conducting the course that are consistent with the instructional techniques used;~~
- ~~(8) assign the number of CPE credits each participant may be eligible to receive by either:~~
 - ~~(A) monitoring attendance at a group course; or~~
 - ~~(B) testing in order to determine if the participant has learned the material presented;~~
- ~~(9) inform instructors and presenters of the results of the evaluation of their performances;~~
- ~~(10) retain for five years from the date of the course presentation or completion:~~
 - ~~(A) a record of participants completing course credit requirements;~~
 - ~~(B) an outline of the course;~~
 - ~~(C) the date and location of presentation;~~
 - ~~(D) the participant evaluations or summaries of evaluations;~~
 - ~~(E) the documentation of the instructor's qualifications; and~~
 - ~~(F) the number of contact hours recommended for each participant;~~
- ~~(11) have a visible, continuous, and identifiable contact person who is charged with the administration of the sponsor's CPE programs that has the responsibility and shall be accountable for assuring and demonstrating compliance with this Rule by the sponsor or by any other organization working with the sponsor for the development, distribution, or presentation of CPE courses;~~
- ~~(12) develop and promulgate policies and procedures for the management of grievances including tuition and fee refunds; and~~
- ~~(13) provide persons completing course requirements with written proof of completion indicating the participant's name, the name of the course, the date the course was held or completed, the sponsor's~~

~~name and address, and the number of CPE hours calculated and recommended in accordance with Rule .0409 of this Section.~~

(d) Failure of a National Registry of CPE Sponsor to comply with ~~the terms of this Rule~~ shall be grounds for the Board to disqualify the sponsor as a CPE sponsor with this Board and to notify NASBA and the public of this action.

Authority G.S. 93-12(3); 93-12(8b).

21 NCAC 08G .0404 REQUIREMENTS FOR CPE CREDIT

(a) A CPA shall not be granted CPE credit for ~~a course~~ an activity unless the ~~course~~ activity is in one of the fields of study listed in the NASBA Fields of Study, including subsequent amendments and editions, which are hereby incorporated by reference. Copies of the NASBA Fields of Study can be found at no cost on the NASBA website at www.nasbaregistry.org/the-standards.

- (1) ~~is in one of the seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule;~~
 - (2) ~~is developed by an individual who has education and work experience in the subject matter of the course; and~~
 - (3) ~~uses instructional techniques and materials that are current and accurate as set forth by Rule .0403 of this Section.~~
- (b) ~~The seven fields of study recognized by the Board are:~~
- (1) ~~Accounting and Auditing~~
 - (A) ~~Accountancy~~
 - (B) ~~Accounting—Governmental~~
 - (C) ~~Auditing~~
 - (D) ~~Auditing—Governmental~~
 - (2) ~~Consulting Services~~
 - (A) ~~Administrative Practice~~
 - (B) ~~Social Environment of Business~~
 - (3) ~~Ethics~~
 - (A) ~~Behavioral Ethics~~
 - (B) ~~Regulatory Ethics~~
 - (4) ~~Management~~
 - (A) ~~Business Law~~
 - (B) ~~Business Management and Organization~~
 - (C) ~~Finance~~
 - (D) ~~Management Advisory Services~~
 - (E) ~~Marketing~~
 - (5) ~~Personal Development~~
 - (A) ~~Communications~~
 - (B) ~~Personal Development~~
 - (C) ~~Personnel/HR~~
 - (6) ~~Special Knowledge and Applications~~
 - (A) ~~Computer Science~~
 - (B) ~~Economics~~
 - (C) ~~Mathematics~~
 - (D) ~~Production~~
 - (E) ~~Specialized Knowledge and Applications~~
 - (F) ~~Statistics~~
 - (7) ~~Tax~~

~~(e)(b)~~ The following ~~may~~ shall qualify as acceptable types of ~~continuing education programs~~, CPE activities, provided the ~~programs~~ activities comply with the requirements set forth in ~~Paragraph (a) of this Rule: Rule .0403(b) or (c) of this Section:~~

- (1) professional development ~~programs~~ activities of national and state accounting organizations;
- (2) technical sessions at meetings of national and state accounting organizations and their chapters;
- (3) courses taken at regionally accredited colleges and universities;
- (4) educational ~~programs~~ activities that are designed and intended for continuing professional education activity conducted within a business, accounting firm, or an association of accounting firms; or

- (5) ~~correspondence courses~~ activities that are designed and intended for continuing professional ~~education activity; education.~~
- ~~(d)(c)~~ CPE credit ~~may~~ shall be granted for ~~teaching a CPE course~~ instructing or authoring a publication CPE activity as long as ~~the preparation to teach or write increased the CPA's professional competency was increased and was in one of the seven fields of study recognized by the Board and Board, as set forth in Paragraph (b)(a) of this Rule.~~
- ~~(e)(d)~~ CPE credit shall not be granted for a self-study ~~course~~ activity if the material that the CPA must study to take the examination is not designed for CPE purposes. This includes periodicals, guides, magazines, subscription services, books, reference ~~manuals~~ manuals, and supplements that contain an examination to test the comprehension of the material read.
- ~~(f)(e)~~ A CPA may claim credit for a ~~course~~ an activity offered by a ~~non-registered sponsor provided that provider if~~ the ~~course~~ activity meets the requirements of this Rule and ~~Rules .0403(e), and .0409 Rule .0409~~ of this Section. The CPA shall maintain documentation proving ~~that the course~~ activity met these standards.

Authority G.S. 93-12(8b).

21 NCAC 08G .0405 ADMINISTRATION OF REQUIREMENT

Authority G.S. 93-12(8b).

21 NCAC 08G .0406 COMPLIANCE WITH CPE REQUIREMENTS

- (a) All active CPAs shall file ~~with the Board a completed a reporting of~~ CPE reporting form minutes by the July 1 renewal date of each year. The Board may audit information submitted by licensees who apply for a renewal license.
- (b) If a CPA fails to complete the CPE requirements prior to the end of the previous calendar year but the CPA has completed them by June 30, the Board may:
- (1) issue a letter of warning for the first such failure within a ~~five-calendar~~ five-calendar year period; and
 - (2) deny the renewal of the CPA's certificate for a period of not less than 30 days and until the CPA meets the reinstatement requirements set forth in 21 NCAC 08J .0106 for the second such failure within a ~~five-calendar~~ five-calendar year period.

Authority G.S. 93-12(8b); 93-12(9)(e).

21 NCAC 08G .0409 COMPUTATION OF CPE CREDITS

- (a) ~~Group Courses: Non-College. Activity.~~ CPE credit for a group ~~course~~ activity ~~that is not part of a college curriculum shall be given based on contact hours. minutes. A contact hour shall be 50 minutes of instruction and one-half contact hour shall be equal to 25 minutes of instruction. For example, a group course lasting 100 minutes shall be two contact hours equaling two CPE credits. A group course lasting 75 minutes shall be one and one-half contact hours equaling one and one-half CPE credits. A group course lasting 25 minutes shall be one-half contact hour and equal to one-half CPE credit. When individual segments of a group course are less than 50 minutes, the sum of the individual segments shall be added to determine the number of contact hours. For example, five 30-minute presentations shall be 150 minutes, which shall be three contact hours and three CPE credits. No credit shall be allowed for a segment unless the participant completes the entire segment. Internet-based programs shall employ a monitoring mechanism to verify that participants are participating during the duration of the course. No credit shall be allowed for a group course having fewer than 25 minutes of course instruction.~~
- (b) ~~Completing a College Course.~~ CPE credit for completing a college course in the college curriculum shall be granted based on converting the number of credit hours the college gives the CPA for completing the ~~course.~~ course into minutes. One semester hour of college credit shall be ~~45~~ 750 CPE ~~credits; minutes.~~ one-quarter hour of college credit shall be 10 CPE credits; and one continuing education unit shall be 10 CPE credits. No CPE credit shall be given to a CPA who audits a college course. No more than 50 percent of the CPE credits required for a year shall be credits for completing a college course.
- (c) ~~Self Study. Study Activity.~~ CPE credit for a self-study ~~course~~ activity shall be given based on the ~~average number of contact hours needed to complete the course. minutes needed to complete the activity as determined by the sponsor.~~ The average completion time shall be allowed for CPE credit. A sponsor shall determine on the basis of pre-tests or NASBA word count formula the average number of contact hours of course material it takes to complete a course. A contact hour shall be 50 minutes and one-half contact hour shall be 25 minutes of course material. No self-study course may contain less than 25 minutes of course material.

(d) ~~Instructing~~ Preparing or Presenting a CPE Course Activity. CPE credit for ~~teaching~~ preparing or presenting a CPE course activity for CPAs shall be given based on the number of ~~contact hours~~ minutes spent in preparing ~~and or~~ presenting the ~~course~~ activity. Preparing includes activities such as authoring or conducting a technical review. No more than 50 percent of the CPE credits required for a year shall be credits for preparing for ~~and or~~ presenting CPE ~~courses~~ activities. CPE credit for preparing or presenting ~~a course~~ an activity shall be allowed only once a year for a ~~course~~ an activity prepared or presented more than once in the same year by the same CPA.

(e) Authoring a Publication. CPE credit for published articles and books shall be given based on the number of ~~contact hours~~ minutes the CPA spent writing the article or book. No more than 25 percent of a CPA's required CPE credits for a year shall be credits for published articles or books. An article written for a CPA's client or business newsletter shall not receive CPE credit.

(f) ~~Instructing a Graduate-Level~~ College Course. CPE credit for instructing a ~~graduate-level~~ college course above the level of accounting principles shall be given based on the number of credit hours the college gives a student for completing the course, using the calculation set forth in Paragraph (b) of this Rule. ~~Credit shall not be given for instructing a course in which there is credit given towards an undergraduate degree.~~ No more than 50 percent of the CPE credits required for a year shall be credits for instructing a college course.

(g) Nano Learning Activity. CPE credit for Nano Learning, a tutorial activity without interaction with a real-time instructor that is designed to permit a participant to learn a given subject through electronic media including technology applications/processes, computer-based or web-based technology, shall be based on the number of contact minutes. Nano Learning is not a group program. This CPE activity shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

(h) Blended Learning Activity. A Blended Learning program offers participants learning in multiple formats or delivery methods. Activities can include lectures, discussion, guided practice, games, case studies, and simulation. The varied delivery methods include Group Live, Group Internet Based, Self Study, or Nano Learning. The primary component of the program may be concurrent (a group program) or nonconcurrent, allowing the participant to control a portion of the time and place of the learning. CPE credit for Blended Learning shall be based on the number of contact minutes incorporated in all the learning formats in the Blended Learning activity. This CPE activity shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

~~(g)(i)~~ No more than 50 percent of the CPE credits required for a year shall be credits claimed under Paragraph (d) and ~~(f)~~ Paragraphs (b), (d), and (f) of this Rule.

Authority G.S. 93-12(8b).

21 NCAC 08G .0410 PROFESSIONAL ETHICS AND CONDUCT CPE

Authority G.S. 93-12(3); 93-12(8b); 93-12(9).

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2015332-1 and C2015332-2

IN THE MATTER OF:
Carl Fredrick Root, Jr., CPA, #10972
Carl F. Root, Jr. PA,
Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and the Respondents stipulate to the following:

1. Carl Fredrick Root, Jr., CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 10972 as a Certified Public Accountant.
2. Carl F. Root, Jr. PA (hereinafter "Respondent firm"), is a registered certified public accounting firm in North Carolina. The Respondent and the Respondent firm are collectively referred to as the "Respondents."
3. At all relevant times, the Respondent was the supervising CPA of the Respondent firm and, as such, was the CPA responsible for ensuring that the Board's peer review requirements were satisfied.
4. The Respondents have entered a prior Consent Order which required them to re-enroll in the AICPA peer review program and address a peer review that had been recalled.
5. The Respondent Firm was given permission to re-enroll in the peer review program by the AICPA. However, the Respondent Firm's participation in the peer review program was subsequently terminated for a failure to meet deadlines.
6. The Respondent has stated that he no longer performs services subject to peer review.
7. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

NC BOARD OF

SEP - 9 2019

CPA EXAMINERS

Consent Order - 2
Carl Fredrick Root, Jr., CPA
Carl F. Root, Jr. PA

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. By failing to timely complete a peer review, the Respondents have violated 21 NCAC 08N .0203(b)(7).
3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and the Respondents agree to the following Order:

1. The Respondents' privilege to perform, or participate in, any services subject to peer review as identified in Board rule 21 NCAC 08M .0105 Peer Review Requirements is permanently revoked.

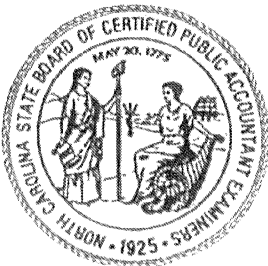
CONSENTED TO THIS THE 4 DAY OF September, 2019.

Carl F Root Jr
Individual authorized to sign on behalf of Respondent Firm

Carl F Root Jr
Respondent

APPROVED BY THE BOARD THIS THE 23 DAY OF SEPTEMBER,
2019

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: Anthony J. Whitehead
President

NC BOARD OF

SEP -9 2019

CPA EXAMINERS